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Report Highlights:

India urges EU and USA to eliminate subsidies, *Hotel industry boom likely*, *EU probes Indian curbs on its spirits*, *Integrated agri-biz strategy to boost food processing sector*.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
New Delhi [IN1]
[IN]

Welcome to Hot Bites from India, a weekly summary of issues of interest to the U.S. agricultural community. The report includes information that has been garnered during travel within India, reported in the local media, or offered by host country officials and agricultural analysts. Press articles are included in this report. Significant issues will be expanded upon in subsequent reports from this office.

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INDIA URGES EU AND USA TO ELIMINATE SUBSIDIES

India's top WTO negotiator said that India cannot open its agricultural import markets further for developed countries unless the United States and European Union eliminate their "billions of dollars of trade-distorting subsidies." G.K. Pillai, Additional Secretary from the Ministry of Commerce, further said that there can be no substantial progress in the "stalled" WTO agriculture talks until India gets clear signals that the EU and the United States are willing to move forward. (Source: The Pioneer, 09/18/05)

HOTEL INDUSTRY BOOM LIKELY

The Indian hotel industry is expected to witness a boom over the next five years. The number of hotel rooms is expected to rise from the current 1.2 million to 2.9 million by 2010, and further to 6.6 million by 2020. An upsurge in the tourism industry, the growth in the economy, and the Commonwealth Games in 2010 are factors expected to contribute to this expansion. (Source: Tribune: 09/19/05)

EU PROBES INDIAN CURBS ON ITS SPIRITS

The European Union may complain to the World Trade Organization about India's tariff and non-tariff barriers on EU spirits and wines. The EU opened a probe on Indian federal and state duties on imported spirits and wines and an alleged ban by some Indian states on imports and sale of these drinks. The probe stems from a complaint by European groups representing spirit and wine companies. (Source: Financial Express 09/20/05)

INTEGRATED AGRI-BIZ STRATEGY TO BOOST FOOD PROCESSING SECTOR

After introducing the Food Safety and Standards Bill 2005 into the Parliament, the Department of Food Processing Industries (FPI) is developing an integrated agri-business strategy that aims to boost the industry. The Minister of State for FPI identified cold chain, packaging, poultry, and meat as "virgin" sectors to be explored. A vision document passed to other ministries includes steps to rationalize taxation on the sector, promote food retailing and foreign direct investment, improve food management, build capacity for small-scale industries, and improve access to funds for the sector. The Minister added that a shortfall in trained personnel will be remedied by establishing an National Institute of Food Training and Management. (Source: Business Line, 09/20/05)

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